

## Community Development Block Grants (CDBG) (Entitlement)

Federal funding to help entitled metropolitan cities and urban counties meet their housing and community development needs.

**Nature of Program:** Provides annual grants on a formula basis to entitled communities to carry out a wide range of community development activities directed toward neighborhood revitalization, economic development, and improved community facilities and services.

Entitlement communities develop their own programs and funding priorities and consult with local residents before making final decisions. All CDBG activities must meet one of the following national objectives: benefit low- and moderate-income persons; aid in the prevention or elimination of slums and blight; or meet certain community development needs having a particular urgency. Some of the activities that can be carried out with community development block grant funds include the acquisition of real property; rehabilitation of residential and nonresidential properties; provision of public facilities and improvements, such as water and sewer, streets, and neighborhood centers; public services; clearance; homeownership assistance; and assistance to for-profit businesses for economic development activities.

To receive its annual CDBG entitlement grant, a grantee must develop and submit to HUD its Consolidated Plan (which is a jurisdiction's comprehensive planning document and application for funding under the following Community Planning and Development formula grant programs: CDBG, HOME Investment Partnerships, Housing Opportunities for Persons with AIDS (HOPWA), and Emergency Shelter Grants (ESG)). In its Consolidated Plan, the jurisdiction must identify its planned use of funds and the goals for these programs and for affordable housing. The goals will serve as the criteria against which HUD will evaluate a jurisdiction's performance under the Plan. Also, the Consolidated Plan must include several required certifications, including that not less than 70 percent of the funds expended over a period specified by the grantee, not to exceed 3 years, must be used for activities that benefit low- and moderate-income persons. The grantee must also affirmatively further fair housing.

**Grantee Eligibility:** Metropolitan cities and urban counties are entitled to receive annual grants. Metropolitan cities are principal cities of Metropolitan Areas (MAs) or other cities within MAs that have populations of at least 50,000. Urban counties are within MAs and have a population of 200,000 or more (excluding the population of metropolitan cities within their boundaries).

**Funding Distribution:** From each year's CDBG appropriation, excluding the amounts provided for grants under Section 107 of the Housing and Community Development Act of 1974 (Section 107 grants), and other specified grants, 70 percent is allocated to metropolitan cities and urban counties. The amount of each entitlement grant is determined by statutory formula, which uses several objective measures of community need, including poverty, population, housing overcrowding, age of housing, and growth lag.

**Legal Authority:** Title I, Housing and Community Development Act of 1974 (42 U.S.C. 5301 et seq.). Regulations are at 24 CFR part 570.

**Administering Office:** Assistant Secretary for Community Planning and Development, U.S. Department of Housing and Urban Development, Washington, DC 20410.

**Information Sources:** Local officials and HUD field offices.

On the Web:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/communitydevelopment/programs/entitlement](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/programs/entitlement)

**Current Status:** Active.